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FLEISCHMAN AND WALSH, L. L. P.

ATTORNEYS AT LAW

A PARTNERSHIP INCLUDING A PROFESSIONAL CORPORATION

1400 SIXTEENTH STREET, N. W.

WASHINGTON, D. C. 20036

TEL (202) 939-7900 FAX (202) 745-0916

INTERNET fw@fw-law.com

Federal Communications Commission
Office of Secretary

AARON I. FLEISCHMAN

FLEISCHMAN AND WALSH, P. C.

CHARLES S. WALSH
ARTHUR H. HARDING
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MARK D. PIHLSTROM**
BETH-SHERRI AKYEREKO

* UT BAR ONLY
** NY AND MA BARS ONLY

April 20, 1998

EX PARTE

VIA HAND DELIVERY

Magalie Roman Salas, Secretary
Federal Communications Commission
1919 M Street, NW
Room 222
Washington, DC 20554

Re: Notification of Permitted Ex Parte Presentations --
Reconsideration of Second Report and Order, MM Docket No. 920264

Dear Ms. Roman Salas:

Pursuant to Section 1.1206(a)(2) of the Commission's Rules, we hereby notify the Commission of the following permitted ex parte presentations.

On April 16, 1998, Michael Willner, President and CEO of Insight Communications, Kimberly Kelly, Executive Vice President and Operating Officer of Insight Communications, Marvin Rappaport, and Charles Walsh of the law firm of Fleischman and Walsh, met with Chairman William Kennard and his Legal Advisor, Thomas Power, Commissioner Susan Ness and her Senior Legal Advisor, James Casserly, and John Logan Acting Chief of the Cable Services Bureau. All meetings involved the subject of the Commission reconsideration of the level of permitted cable system ownership in the above-referenced proceeding.

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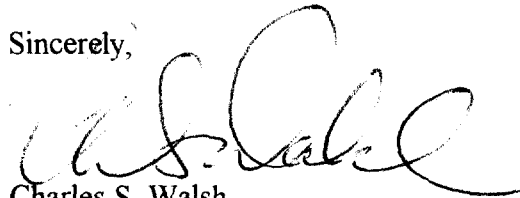
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Magalie Roman Salas
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We are enclosing a copy of an article from the Rockford Register Star of April 15, 1998 regarding Mr. Willner and Insight Communications' scheduled cable system upgrade; copies of the article were provided during the meetings.

If you need any further information, please contact the undersigned.

Sincerely,



Charles S. Walsh

cc: Chairman Kennard
Commissioner Ness
John Logan
Thomas Power
James Casserly

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Ameritech will cut 5,000 jobs to raise profit levels

The Associated Press

CHICAGO — Ameritech Corp. said Tuesday it will cut 5,000 jobs, or about 7 percent of its work force, as part of a plan to slash expenses by \$3 billion over the next five years and boost profits.

The company, which earlier in the day posted an 8 percent drop in first-quarter profits, said the workers would come from its cellular and home-security divisions. Ameritech cellular does not serve the Rockford area and it does not market home-security systems here, according to Brad Jensen, an Ameritech spokesman in Rockford.

However, spokesman Jerrell Ross declined to elaborate on where the bulk of those workers are based or whether any of the cuts would come through attrition.

Chicago-based Ameritech has 73,000 workers worldwide in such fields as local and long-distance telephone service, cellular, paging, Internet access and security-monitoring.

The parent of local phone companies in Illinois, Indiana, Michigan, Ohio and Wisconsin, Ameritech has been expanding its range of services to boost revenue as competitors enter the local phone market for the first time, cutting into its monopoly.

Ameritech took a \$64 million charge in the first-quarter to pay for the cost-cutting program and its 42-percent stake in Denmark's phone company, Tele Danmark.

In its earnings, Ameritech reported its 18th consecutive quarter of earnings growth of 10 percent or more, excluding the charges taken.

■ Intel cuts 3,000, 1C

Cable TV launches upgrade



GARY L. CARLSON/Rockford Register Star

Michael Willner, president of Insight Communications, leads the symbolic laying of fiber-optic cable for rebuilding the local cable television system. From right to left are Willner, Loves Park Mayor Darryl Lindberg, U.S. Rep. Don Manzullo, County Board Chairman Kris Cohn, Machesney Park Mayor Steve Kuhn, Rockford Mayor Charles Box and Insight General Manager K.C. McWilliams.

Q&A The impact on local customers

Question: How soon will I be affected?

Answer: If you live in Loves Park, you could be among the first switched over to the new system, possibly even this year. Generally, work will progress north from there. The company plans to release details of its work plan for the entire region within 60 days.

Q: Once the "rebuild" reaches my neighborhood, what will happen?

A: If your cable is hanging overhead, Insight crews simply will climb a ladder and replace it. If the cable is

buried underground, they will slice a trench in the ground to lay the fiber-optic cable. They promise to repair any damage to pavement or lawns.

Q: How will my cable TV service change?

A: The most immediate change will be more channels. Insight plans to offer about 60 channels, twice what is available now. The new fiber-optic technology should deliver clearer TV pictures with fewer outages. The company also plans other advancements, including Internet service.

Q: Will my monthly cable TV bill increase?

A: Yes, the cost of rebuilding the system is estimated at \$30 million, and Insight plans to pass the cost along. The company has not announced a specific price change. But officials say the cost of basic service probably will increase to about \$30 a month, up from about \$25 a month. Your rates will change once your neighborhood is switched to the new system.

■ More questions answered, 4A

Cable TV rates

Here's a look at how rates for monthly basic service in the Rockford area have changed:

Year	Price
1979	\$7.50 12 channels
1982	\$8.45 17 channels
1989	\$16.95 29 channels
1998	\$22.96 30 channels
2001	\$30* 60 channels

*Estimated cost

Rockford Register Star

Some will be using new system this year

By SCOTT WILLIAMS
Rockford Register Star

LOVES PARK — The new owners of the region's dominant cable TV system launched a \$30 million upgrade Tuesday by ceremoniously unfurling the first 20 feet of fiber-optic cable.

Within three years, Insight Communications Inc. will lay more than 1,000 miles of cable to equip Rockford-area TV viewers with a technologically advanced system promoted as being worthy of the 21st century.

Local dignitaries joined Insight officials for ceremonies at the site where the rebuild will begin at Mulford Road and Riverside Boulevard along the Rockford-Loves Park border.

"This is the official kickoff, launch, groundbreaking," said Insight General Manager K.C. McWilliams.

Reconstruction of the 25-year-old cable TV network will commence from the system's "head end" location — the central receiving point for all incoming TV signals. From there, crews will move north toward Machesney Park.

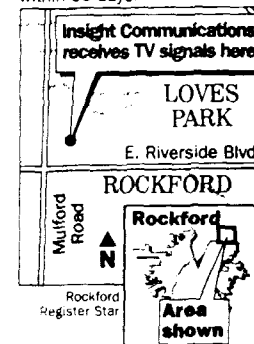
Michael Willner, president of the New York-based company, said the first customers should be switched over to the new system before the end of the year.

The entire "rebuild" will take about three years, and Insight officials say they will release a detailed plan within 60 days to show when other communities and neighborhoods will be converted.

Willner said streets, driveways and front lawns will

Cable TV

Renovations will begin at this "head end" location and move north. A detailed plan for the three-year project is expected within 60 days.



have to be uprooted to lay the new cable in some areas.

"It'll be slightly disruptive to the community," he said, "but all for the good."

Insight serves about 65,000 customers in Winnebago County and part of Boone County.



The company bought the franchise from Cablevision last year in a \$97 million deal that included the cost of rebuilding the system. Insight also serves cities in Indiana, California, Kentucky, Virginia and Utah.

Willner said when the local transformation is complete by 2001, area consumers will have a fiber-optic system that delivers more TV channels, faster computer access and other technological advancements.

"This is more than re-

Please see Cable TV, 4A



GARY L. CARLSON/Rockford Register Star

Insight President Michael Willner explains the merits of fiber-optic cable Tuesday at a news conference in Rockford to signal the beginning of a \$30 million upgrade of the local cable system. Standing left to right: U.S. Rep. Don Manzullo, Machesney Park Mayor Steve Kuhn, Winnebago County Board Chairman Kris Cohn, Loves Park Mayor Darryl Lindberg and Rockford Mayor Charles E. Box.

Cable TV launches upgrade

▷ Continued from Page 1A

building to give more of the same old stuff," he said. "People in Rockford will have every bit of technology that we know of."

With the increased number of channels, cable TV customers will see their monthly bills increase from about \$23 a month to \$30 for basic service, which will include a lineup expanded from about 30 channels now to 60 channels.

The company plans a survey to determine what new channels consumers would like to have.

Machesney Park President Steve Kuhn, among those present for Tuesday's ceremonies, said he was pleased to hear village residents will be among the

first to get the improved service.

He said Insight's plan will satisfy customers throughout the region.

"People are very understanding if they have the facts: It takes time," he said. "They're going to focus on the benefit, not the time."

Winnebago County Board Chairman Kris Cohn also applauded Insight officials for bringing technological advancement to the region and distributing it as fairly and quickly as possible.

"Everybody would like to be first," she said.

"I think this community will be very, very pleased when it gets done."

More questions

Q: Can I request certain TV channels?

A: With about 30 new channels coming, the company plans to survey consumers on their favorites. You should find a survey form inserted in the monthly bill due to arrive in mailboxes later this month.

Q: How do I know I am affected?

A: If you pay your cable TV bill to Insight — the predecessor was Cablevision — you are among the 65,000 customers affected. If you live in Ogle County or parts of Boone County, you get cable TV from other companies, and you are not affected.